API NUMBER: 019 26231

Straight Hole Oil & Gas

OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
P.O. BOX 52000
OKLAHOMA CITY, OK 73152-2000
(Rule 165:10-3-1)

Approval Date: 09/21/2016
Expiration Date: 03/21/2017

PERMIT TO DRILL

WELL LOCATION: Sec: 25 Twp: 2S Rge: 2W County: CARTER

SPOT LOCATION: S2 SE NW SW FEET FROM QUARTER: FROM **SOUTH** FROM **WEST**
SECTION LINES: **1485** **990**

Lease Name: BENITEZ **Well No: 3** **Well will be 165 feet from nearest unit or lease boundary.**

Operator Name: **WILLIAMS R J OIL & GAS LLC** Telephone: 5804906169 OTC/OCC Number: 19861 0

WILLIAMS R J OIL & GAS LLC
PO BOX 1931
ARDMORE, OK 73402-1931

ZENAIDO BENITEZ
HCR 60 BOX 79
SPRINGER OK 73458

Formation(s) (Permit Valid for Listed Formations Only):

	Name	Depth		Name	Depth
1	PONTOTOC	1	6		
2	DEESE	500	7		
3			8		
4			9		
5			10		

Spacing Orders: 596111 Location Exception Orders: 649846 Increased Density Orders: 649275

Pending CD Numbers: Special Orders:

Total Depth: 1200 Ground Elevation: 900 **Surface Casing: 0** Depth to base of Treatable Water-Bearing FM: 450

Cement will be circulated from Total Depth to the Ground Surface on the Production Casing String.

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: WATER BASED
Chlorides Max: 1500 Average: 750
Is depth to top of ground water greater than 10ft below base of pit? Y
Within 1 mile of municipal water well? N
Wellhead Protection Area? N
Pit **is** located in a Hydrologically Sensitive Area.
Category of Pit: 2
Liner not required for Category: 2
Pit Location is BED AQUIFER
Pit Location Formation: WELLINGTON

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. CBL REQUIRED

Notes:

This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

Category	Description
ALTERNATE CASING	9/13/2016 - G71 - APPROVED; (1) MUDDING UP PRIOR TO TD TO PROTECT SHALLOW SANDS & (2) COPY OF CBL NEEDS TO BE SUBMITTED TO THE TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED. RULE 165: 10-3-4 (D)(4)(C)
HYDRAULIC FRACTURING	9/13/2016 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE.
INCREASED DENSITY - 649275	9/14/2016 - G64 - (F.O.) NW4 SW4 25-2S-2W X596111 DEESS 1 WELL NO OP. NAMED 2-1-2016
LOCATION EXCEPTION - 649846	9/14/2016 - G64 - (F.O.) NW4 SW4 25-2S-2W X596111 DEESS SHL 165' FSL, 330' FEL NO OP. NAMED 2-16-2016
SPACING	9/14/2016 - G64 - PONTOTOC UNSPACED; 40-ACRE LEASE (NW4 SW4) PER ITD
SPACING - 596111	9/14/2016 - G64 - (40) NW4 SW4 25-2S-2W EST DEESS, OTHER

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